



February 17, 2016

ENGROSSED HOUSE BILL No. 1273

DIGEST OF HB 1273 (Updated February 16, 2016 11:36 am - DI 73)

Citations Affected: IC 6-1.1; IC 8-25; IC 36-6; IC 36-8; IC 36-12; noncode.

Synopsis: Various property tax matters. Requires assessing officials to maintain geographic information system characteristics of real property parcels and to transmit that data annually to the geographic information office of the office of technology. Provides that personal property is exempt from property taxation if it is owned by a homeowners association and is held by the homeowners association for the use, benefit, or enjoyment of members of the homeowners association. Provides that a county auditor may accept a deduction application for a property tax abatement deduction only if the designating body has specified an abatement schedule for the deduction. Prohibits a taxing unit from transferring property tax receipts to the property tax assessment appeals fund if the property tax receipts are: (1) held in a debt service fund; or (2) treated as levy excess. Removes phrasing to emphasize that a political subdivision may not base an excess levy appeal on normal population growth. Removes obsolete provisions concerning excess levy appeals by political subdivisions. Modifies certain responsibilities of the division of data analysis of the
(Continued next page)

Effective: January 1, 2013 (retroactive); January 1, 2016 (retroactive); January 2, 2016 (retroactive); July 1, 2016; January 1, 2017.

Leonard

(SENATE SPONSOR — MISHLER)

January 11, 2016, read first time and referred to Committee on Ways and Means.
January 25, 2016, amended, reported — Do Pass.
January 28, 2016, read second time, ordered engrossed.
January 29, 2016, engrossed.
February 1, 2016, read third time, passed. Yeas 93, nays 1.

SENATE ACTION

February 8, 2016, read first time and referred to Committee on Tax & Fiscal Policy.
February 16, 2016, amended, reported favorably — Do Pass.

EH 1273—LS 6613/DI 113



department of local government finance. Provides that the department of local government finance may cancel any delinquencies, fees, special assessments, and penalties, in addition to property taxes, that are owed on property that is owned by the state, a county, a city, a town, a township, or a locally established port authority. Limits the period during which a county auditor may act on information that a taxpayer is ineligible for a standard property tax deduction. Authorizes the fiscal body of a township that is located next to certain counties or townships to pass a resolution to place on the ballot a local public question on whether the fiscal body of the eligible county should be required to fund and carry out a public transportation project in the township. Provides that if a public question regarding public transportation projects is defeated in a township, the fiscal body of the township may adopt a resolution to place another such public question on the ballot at a subsequent general election in the township, but specifies that such a public question may not be placed on the ballot in the township more than two times in any seven year period. Specifies the conditions under which a county fiscal body may impose an additional tax rate on county taxpayers who reside in a township that approves a local public question. Authorizes the provider unit in a fire protection territory to negotiate for and hold debt for the equipment replacement fund of a fire protection territory. Authorizes a participating unit in a fire protection territory to acquire fire protection equipment or other property and make the property available to the provider unit. Specifies the adjustments to the maximum permissible levy for a unit that ceases participation in a fire protection territory. Specifies the minimum number of taxpayers that must object to the imposition or increase of a tax rate for an equipment replacement fund of a fire protection territory. Authorizes a library to issue library cards at no charge to college students who attend a college in the library district. Requires a library to prorate the cost of a library card that is valid for less than one year. Allows a nonprofit entity that missed the applicable deadlines to claim the property tax exemptions to which it would otherwise have been entitled to submit the necessary paperwork to claim the exemptions. Repeals a provision authorizing a county fiscal body to adopt an ordinance to allow local agencies to require a person applying for a property tax exemption, a property tax deduction, a zoning change or zoning variance, a building permit, or any other locally issued license or permit to submit a uniform property tax disclosure form with the person's application for the property tax exemption, property tax deduction, zoning change or zoning variance, building permit, or other locally issued license or permit.



February 17, 2016

Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

ENGROSSED HOUSE BILL No. 1273

A BILL FOR AN ACT to amend the Indiana Code concerning
taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-4-25, AS AMENDED BY P.L.111-2014,
2 SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2016]: Sec. 25. (a) Each township assessor and each county
4 assessor shall keep the assessor's reassessment data and records current
5 by securing the necessary field data and by making changes in the
6 assessed value of real property as changes occur in the use of the real
7 property. The township or county assessor's records shall at all times
8 show the assessed value of real property in accordance with this
9 chapter. The township assessor shall ensure that the county assessor
10 has full access to the assessment records maintained by the township
11 assessor.

12 (b) The township assessor (if any) in a county having a consolidated
13 city, the county assessor if there are no township assessors in a county
14 having a consolidated city, or the county assessor in every other county,
15 shall:

EH 1273—LS 6613/DI 113



(1) maintain an electronic data file of:

(A) the parcel characteristics and parcel assessments of all parcels; ~~and~~

(B) the personal property return characteristics and assessments by return; ~~and~~

(C) the geographic information system characteristics of each parcel;

for each township in the county as of each assessment date;

(2) maintain the electronic file in a form that formats the information in the file with the standard data, field, and record coding required and approved by:

(A) the legislative services agency; and

(B) the department of local government finance;

(3) transmit the data in the file with respect to the assessment date of each year before October 1 of a year ending before January 1, 2016, and before September 1 of a year beginning after December 31, 2015, to:

(A) the legislative services agency and ~~(B)~~ the department of local government finance, **for data described in subdivision**

(1)(A) and (1)(B); and

(B) the geographic information office of the office of technology, for data described in subdivision (1)(C);

in a manner that meets the data export and transmission requirements in a standard format, as prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency; and

(4) resubmit the data in the form and manner required under this subsection, upon request of the legislative services agency, ~~or~~ the department of local government finance, ~~or the geographic information office of the office of technology, as applicable~~, if data previously submitted under this subsection does not comply with the requirements of this subsection, as determined by the legislative services agency, ~~or~~ the department of local government finance, ~~or the geographic information office of the office of technology, as applicable~~.

An electronic data file maintained for a particular assessment date may not be overwritten with data for a subsequent assessment date until a copy of an electronic data file that preserves the data for the particular assessment date is archived in the manner prescribed by the office of technology established by IC 4-13.1-2-1 and approved by the legislative services agency.

SECTION 2. IC 6-1.1-10-37.8 IS ADDED TO THE INDIANA



CODE AS A NEW SECTION TO READ AS FOLLOWS
[EFFECTIVE JANUARY 1, 2016 (RETROACTIVE)]: **Sec. 37.8. For
assessment dates after December 31, 2015, tangible personal
property is exempt from property taxation if that tangible personal
property:**

(1) is owned by a homeowners association (as defined in
IC 32-25.5-2-4); and

(2) is held by the homeowners association for the use, benefit,
or enjoyment of members of the homeowners association.

SECTION 3. IC 6-1.1-11-3.8 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 3.8. (a) This section
applies to real property that after December 31, 2003, is:

(1) exempt from property taxes:

(A) under an application filed under this chapter; or

(B) under:

(i) IC 6-1.1-10-2; or

(ii) IC 6-1.1-10-4; and

(2) leased to an entity other than:

(A) a nonprofit entity;

(B) a governmental entity; or

(C) an individual who leases a dwelling unit in:

(i) a public housing project;

(ii) a nursing facility referred to in IC 12-15-14;

(iii) an assisted living facility; or

(iv) an affordable housing development.

(b) After December 31, 2003, each lessor of real property shall
notify the county assessor of the county in which the real property is
located in writing of:

(1) the existence of the lease referred to in subsection (a)(2);

(2) the term of that lease; and

(3) the name and address of the lessee.

(c) Each county assessor shall annually notify the department of
local government finance in writing of the information received by the
county assessor under subsection (b).

(d) The department of local government finance ~~shall~~ **may** adopt
rules to:

(1) establish when the notices under subsections (b) and (c) must
be given; and

(2) otherwise implement this section.

SECTION 4. IC 6-1.1-12-37, AS AMENDED BY P.L.148-2015,
SECTION 7, AS AMENDED BY P.L.207-2015, SECTION 1, AND
AS AMENDED BY P.L.245-2015, SECTION 6, IS CORRECTED



1 AND AMENDED TO READ AS FOLLOWS [EFFECTIVE
2 JANUARY 1, 2017]: Sec. 37. (a) The following definitions apply
3 throughout this section:

4 (1) "Dwelling" means any of the following:

5 (A) Residential real property improvements that an individual
6 uses as the individual's residence, including a house or garage.

7 (B) A mobile home that is not assessed as real property that an
8 individual uses as the individual's residence.

9 (C) A manufactured home that is not assessed as real property
10 that an individual uses as the individual's residence.

11 (2) "Homestead" means an individual's principal place of
12 residence:

13 (A) that is located in Indiana;

14 (B) that:

15 (i) the individual owns;

16 (ii) the individual is buying under a contract; recorded in the
17 county recorder's office, that provides that the individual is
18 to pay the property taxes on the residence, *and that obligates*
19 *the owner to convey title to the individual upon completion*
20 *of all of the individual's contract obligations;*

21 (iii) the individual is entitled to occupy as a
22 tenant-stockholder (as defined in 26 U.S.C. 216) of a
23 cooperative housing corporation (as defined in 26 U.S.C.
24 216); or

25 (iv) is a residence described in section 17.9 of this chapter
26 that is owned by a trust if the individual is an individual
27 described in section 17.9 of this chapter; and

28 (C) that consists of a dwelling and the real estate, not
29 exceeding one (1) acre, that immediately surrounds that
30 dwelling.

31 Except as provided in subsection (k), the term does not include
32 property owned by a corporation, partnership, limited liability
33 company, or other entity not described in this subdivision.

34 (b) Each year a homestead is eligible for a standard deduction from
35 the assessed value of the homestead for an assessment date. Except as
36 provided in subsection (p), the deduction provided by this section
37 applies to property taxes first due and payable for an assessment date
38 only if an individual has an interest in the homestead described in
39 subsection (a)(2)(B) on:

40 (1) the assessment date; or

41 (2) any date in the same year after an assessment date that a
42 statement is filed under subsection (e) or section 44 of this



chapter, if the property consists of real property.
If more than one (1) individual or entity qualifies property as a homestead under subsection (a)(2)(B) for an assessment date, only one (1) standard deduction from the assessed value of the homestead may be applied for the assessment date. Subject to subsection (c), the auditor of the county shall record and make the deduction for the individual or entity qualifying for the deduction.

(c) Except as provided in section 40.5 of this chapter, the total amount of the deduction that a person may receive under this section for a particular year is the lesser of:

- (1) sixty percent (60%) of the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property; or
- (2) forty-five thousand dollars (\$45,000).

(d) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

(e) Except as provided in sections 17.8 and 44 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by this section must file a certified statement, ~~in duplicate~~, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement must include:

- (1) the parcel number or key number of the property and the name of the city, town, or township in which the property is located;
- (2) the name of any other location in which the applicant or the applicant's spouse owns, is buying, or has a beneficial interest in residential real property;
- (3) the names of:
 - (A) the applicant and the applicant's spouse (if any):
 - (i) as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number; or
 - (ii) that they use as their legal names when they sign their names on legal documents;
 if the applicant is an individual; or
 - (B) each individual who qualifies property as a homestead



under subsection (a)(2)(B) and the individual's spouse (if any):

(i) as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number; or

(ii) that they use as their legal names when they sign their names on legal documents;

if the applicant is not an individual; and

(4) either:

(A) the last five (5) digits of the applicant's Social Security number and the last five (5) digits of the Social Security number of the applicant's spouse (if any); or

(B) if the applicant or the applicant's spouse (if any) does not have a Social Security number, any of the following for that individual:

(i) The last five (5) digits of the individual's driver's license number.

(ii) The last five (5) digits of the individual's state identification card number.

(iii) If the individual does not have a driver's license or a state identification card, the last five (5) digits of a control number that is on a document issued to the individual by the *federal United States government, and determined by the department of local government finance to be acceptable.*

If a form or statement provided to the county auditor under this section, IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or part or all of the Social Security number of a party or other number described in subdivision (4)(B) of a party, the telephone number and the Social Security number or other number described in subdivision (4)(B) included are confidential. The statement may be filed in person or by mail. If the statement is mailed, the mailing must be postmarked on or before the last day for filing. The statement applies for that first year and any succeeding year for which the deduction is allowed. With respect to real property, the statement must be completed and dated in the calendar year for which the person desires to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year. With respect to a mobile home that is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of the year for which the person desires to obtain the deduction.

(f) If an individual who is receiving the deduction provided by this section or who otherwise qualifies property for a deduction under this



1 section:
2 (1) changes the use of the individual's property so that part or all
3 of the property no longer qualifies for the deduction under this
4 section; or
5 (2) is no longer eligible for a deduction under this section on
6 another parcel of property because:
7 (A) the individual would otherwise receive the benefit of more
8 than one (1) deduction under this chapter; or
9 (B) the individual maintains the individual's principal place of
10 residence with another individual who receives a deduction
11 under this section;
12 the individual must file a certified statement with the auditor of the
13 county, notifying the auditor of the change of use, not more than sixty
14 (60) days after the date of that change. An individual who fails to file
15 the statement required by this subsection **is may, under**
16 **IC 6-1.1-36-17, be** liable for any additional taxes that would have been
17 due on the property if the individual had filed the statement as required
18 by this subsection plus a civil penalty equal to ten percent (10%) of the
19 additional taxes due. The civil penalty imposed under this subsection
20 is in addition to any interest and penalties for a delinquent payment that
21 might otherwise be due. One percent (1%) of the total civil penalty
22 collected under this subsection shall be transferred by the county to the
23 department of local government finance for use by the department in
24 establishing and maintaining the homestead property data base under
25 subsection (i) and, to the extent there is money remaining, for any other
26 purposes of the department. This amount becomes part of the property
27 tax liability for purposes of this article.
28 (g) The department of local government finance *may ~~shall~~* adopt
29 rules or guidelines concerning the application for a deduction under
30 this section.
31 (h) This subsection does not apply to property in the first year for
32 which a deduction is claimed under this section if the sole reason that
33 a deduction is claimed on other property is that the individual or
34 married couple maintained a principal residence at the other property
35 on ~~March~~ *the assessment date* in the same year in which an
36 application for a deduction is filed under this section or, if the
37 application is for a homestead that is assessed as personal property, on
38 ~~March~~ *the assessment date* in the immediately preceding year and the
39 individual or married couple is moving the individual's or married
40 couple's principal residence to the property that is the subject of the
41 application. Except as provided in subsection (n), the county auditor
42 may not grant an individual or a married couple a deduction under this



1 section if:

2 (1) the individual or married couple, for the same year, claims the
3 deduction on two (2) or more different applications for the
4 deduction; and

5 (2) the applications claim the deduction for different property.

6 (i) The department of local government finance shall provide secure
7 access to county auditors to a homestead property data base that
8 includes access to the homestead owner's name and the numbers
9 required from the homestead owner under subsection (e)(4) for the sole
10 purpose of verifying whether an owner is wrongly claiming a deduction
11 under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or
12 ~~IC 6-3.5.~~ **IC 6-3.6-5.**

13 (j) A county auditor may require an individual to provide evidence
14 proving that the individual's residence is the individual's principal place
15 of residence as claimed in the certified statement filed under subsection
16 (e). The county auditor may limit the evidence that an individual is
17 required to submit to a state income tax return, a valid driver's license,
18 or a valid voter registration card showing that the residence for which
19 the deduction is claimed is the individual's principal place of residence.
20 The department of local government finance shall work with county
21 auditors to develop procedures to determine whether a property owner
22 that is claiming a standard deduction or homestead credit is not eligible
23 for the standard deduction or homestead credit because the property
24 owner's principal place of residence is outside Indiana.

25 (k) As used in this section, "homestead" includes property that
26 satisfies each of the following requirements:

27 (1) The property is located in Indiana and consists of a dwelling
28 and the real estate, not exceeding one (1) acre, that immediately
29 surrounds that dwelling.

30 (2) The property is the principal place of residence of an
31 individual.

32 (3) The property is owned by an entity that is not described in
33 subsection (a)(2)(B).

34 (4) The individual residing on the property is a shareholder,
35 partner, or member of the entity that owns the property.

36 (5) The property was eligible for the standard deduction under
37 this section on March 1, 2009.

38 (l) If a county auditor terminates a deduction for property described
39 in subsection (k) with respect to property taxes that are:

40 (1) imposed for an assessment date in 2009; and

41 (2) first due and payable in 2010;

42 on the grounds that the property is not owned by an entity described in



1 subsection (a)(2)(B), the county auditor shall reinstate the deduction if
 2 the taxpayer provides proof that the property is eligible for the
 3 deduction in accordance with subsection (k) and that the individual
 4 residing on the property is not claiming the deduction for any other
 5 property.

6 (m) For assessment dates after 2009, the term "homestead" includes:

7 (1) a deck or patio;

8 (2) a gazebo; or

9 (3) another residential yard structure, as defined in rules *that may*
 10 ~~be~~ adopted by the department of local government finance (other
 11 than a swimming pool);

12 that is assessed as real property and attached to the dwelling.

13 (n) A county auditor shall grant an individual a deduction under this
 14 section regardless of whether the individual and the individual's spouse
 15 claim a deduction on two (2) different applications and each
 16 application claims a deduction for different property if the property
 17 owned by the individual's spouse is located outside Indiana and the
 18 individual files an affidavit with the county auditor containing the
 19 following information:

20 (1) The names of the county and state in which the individual's
 21 spouse claims a deduction substantially similar to the deduction
 22 allowed by this section.

23 (2) A statement made under penalty of perjury that the following
 24 are true:

25 (A) That the individual and the individual's spouse maintain
 26 separate principal places of residence.

27 (B) That neither the individual nor the individual's spouse has
 28 an ownership interest in the other's principal place of
 29 residence.

30 (C) That neither the individual nor the individual's spouse has,
 31 for that same year, claimed a standard or substantially similar
 32 deduction for any property other than the property maintained
 33 as a principal place of residence by the respective individuals.

34 A county auditor may require an individual or an individual's spouse to
 35 provide evidence of the accuracy of the information contained in an
 36 affidavit submitted under this subsection. The evidence required of the
 37 individual or the individual's spouse may include state income tax
 38 returns, excise tax payment information, property tax payment
 39 information, driver license information, and voter registration
 40 information.

41 (o) If:

42 (1) a property owner files a statement under subsection (e) to



1 claim the deduction provided by this section for a particular
2 property; and

3 (2) the county auditor receiving the filed statement determines
4 that the property owner's property is not eligible for the deduction;
5 the county auditor shall inform the property owner of the county
6 auditor's determination in writing. If a property owner's property is not
7 eligible for the deduction because the county auditor has determined
8 that the property is not the property owner's principal place of
9 residence, the property owner may appeal the county auditor's
10 determination to the county property tax assessment board of appeals
11 as provided in IC 6-1.1-15. The county auditor shall inform the
12 property owner of the owner's right to appeal to the county property tax
13 assessment board of appeals when the county auditor informs the
14 property owner of the county auditor's determination under this
15 subsection.

16 (p) An individual is entitled to the deduction under this section for
17 a homestead for a particular assessment date if:

18 (1) either:

19 (A) the individual's interest in the homestead as described in
20 subsection (a)(2)(B) is conveyed to the individual after the
21 assessment date, but within the calendar year in which the
22 assessment date occurs; or

23 (B) the individual contracts to purchase the homestead after
24 the assessment date, but within the calendar year in which the
25 assessment date occurs;

26 (2) on the assessment date:

27 (A) the property on which the homestead is currently located
28 was vacant land; or

29 (B) the construction of the dwelling that constitutes the
30 homestead was not completed; **and**

31 (3) either:

32 (A) the individual files the certified statement required by
33 subsection (e); ~~on or before December 31 of the calendar year~~
34 ~~in which the assessment date occurs to claim the deduction~~
35 ~~under this section;~~ or

36 (B) a sales disclosure form that meets the requirements of
37 section 44 of this chapter is submitted to the county assessor
38 on or before December 31 of the calendar year for the
39 individual's purchase of the homestead. **and**

40 ~~(4) the individual files with the county auditor on or before~~
41 ~~December 31 of the calendar year in which the assessment date~~
42 ~~occurs a statement that:~~



1 ~~(4) lists any other property for which the individual would~~
 2 ~~otherwise receive a deduction under this section for the~~
 3 ~~assessment date; and~~
 4 ~~(B) cancels the deduction described in clause (A) for that~~
 5 ~~property.~~

6 An individual who satisfies the requirements of subdivisions (1)
 7 through ~~(4)~~ (3) is entitled to the deduction under this section for the
 8 homestead for the assessment date, even if on the assessment date the
 9 property on which the homestead is currently located was vacant land
 10 or the construction of the dwelling that constitutes the homestead was
 11 not completed. The county auditor shall apply the deduction for the
 12 assessment date and for the assessment date in any later year in which
 13 the homestead remains eligible for the deduction. A homestead that
 14 qualifies for the deduction under this section as provided in this
 15 subsection is considered a homestead for purposes of section 37.5 of
 16 this chapter and IC 6-1.1-20.6. *The county auditor shall cancel the*
 17 *deduction under this section for any property that is located in the*
 18 *county and is listed on the statement filed by the individual under*
 19 *subdivision (4). If the property listed on the statement filed under*
 20 *subdivision (4) is located in another county, the county auditor who*
 21 *receives the statement shall forward the statement to the county*
 22 *auditor of that other county, and the county auditor of that other*
 23 *county shall cancel the deduction under this section for that property.*

24 (q) This subsection applies to an application for the deduction
 25 provided by this section that is filed for an assessment date occurring
 26 after December 31, 2013. Notwithstanding any other provision of this
 27 section, an individual buying a mobile home that is not assessed as real
 28 property or a manufactured home that is not assessed as real property
 29 under a contract providing that the individual is to pay the property
 30 taxes on the mobile home or manufactured home is not entitled to the
 31 deduction provided by this section unless the parties to the contract
 32 comply with IC 9-17-6-17.

33 (r) This subsection:

34 (1) applies to an application for the deduction provided by this
 35 section that is filed for an assessment date occurring after
 36 December 31, 2013; and

37 (2) does not apply to an individual described in subsection (q).

38 The owner of a mobile home that is not assessed as real property or a
 39 manufactured home that is not assessed as real property must attach a
 40 copy of the owner's title to the mobile home or manufactured home to
 41 the application for the deduction provided by this section.

42 (s) For assessment dates after 2013, the term "homestead" includes



property that is owned by an individual who:

- (1) is serving on active duty in any branch of the armed forces of the United States;
- (2) was ordered to transfer to a location outside Indiana; and
- (3) was otherwise eligible, without regard to this subsection, for the deduction under this section for the property for the assessment date immediately preceding the transfer date specified in the order described in subdivision (2).

For property to qualify under this subsection for the deduction provided by this section, the individual described in subdivisions (1) through (3) must submit to the county auditor a copy of the individual's transfer orders or other information sufficient to show that the individual was ordered to transfer to a location outside Indiana. The property continues to qualify for the deduction provided by this section until the individual ceases to be on active duty, the property is sold, or the individual's ownership interest is otherwise terminated, whichever occurs first. Notwithstanding subsection (a)(2), the property remains a homestead regardless of whether the property continues to be the individual's principal place of residence after the individual transfers to a location outside Indiana. However, the property ceases to qualify as a homestead under this subsection if the property is leased while the individual is away from Indiana. Property that qualifies as a homestead under this subsection shall also be construed as a homestead for purposes of section 37.5 of this chapter.

SECTION 5. IC 6-1.1-12.1-5, AS AMENDED BY P.L.288-2013, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. (a) A property owner who desires to obtain the deduction provided by section 3 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the property is located. Except as otherwise provided in subsection (b) or (e), the deduction application must be filed before May 10 of the year in which the addition to assessed valuation is made.

(b) If notice of the addition to assessed valuation or new assessment for any year is not given to the property owner before April 10 of that year, the deduction application required by this section may be filed not later than thirty (30) days after the date such a notice is mailed to the property owner at the address shown on the records of the township or county assessor.

(c) The deduction application required by this section must contain the following information:

- (1) The name of the property owner.



(2) A description of the property for which a deduction is claimed in sufficient detail to afford identification.

(3) The assessed value of the improvements before rehabilitation.

(4) The increase in the assessed value of improvements resulting from the rehabilitation.

(5) The assessed value of the new structure in the case of redevelopment.

(6) The amount of the deduction claimed for the first year of the deduction.

(7) If the deduction application is for a deduction in a residentially distressed area, the assessed value of the improvement or new structure for which the deduction is claimed.

(d) A deduction application filed under subsection (a) or (b) is applicable for the year in which the addition to assessed value or assessment of a new structure is made and in the following years the deduction is allowed without any additional deduction application being filed.

(e) A property owner who desires to obtain the deduction provided by section 3 of this chapter but who has failed to file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between ~~March~~ **January** 1 and May 10 of a subsequent year which shall be applicable for the year filed and the subsequent years without any additional deduction application being filed for the amounts of the deduction which would be applicable to such years pursuant to section 4 of this chapter if such a deduction application had been filed in accordance with subsection (a) or (b).

(f) Subject to subsection (i), the county auditor shall act as follows:

(1) If:

(A) a determination about the number of years the deduction is allowed has been made in the resolution adopted under section 2.5 of this chapter; **and**

(B) an abatement schedule has been established under section 17 of this chapter;

the county auditor shall make the appropriate deduction.

(2) If:

(A) a determination about the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter; **or**

(B) an abatement schedule has not been established under section 17 of this chapter;

the county auditor shall send a copy of the deduction application to the designating body. Upon receipt of the resolution stating the



number of years the deduction will be allowed **or establishing the abatement schedule, as applicable**, the county auditor shall make the appropriate deduction.

(3) If the deduction application is for rehabilitation or redevelopment in a residentially distressed area, the county auditor shall make the appropriate deduction.

(g) The amount and period of the deduction provided for property by section 3 of this chapter are not affected by a change in the ownership of the property if the new owner of the property:

(1) continues to use the property in compliance with any standards established under section 2(g) of this chapter; and

(2) files an application in the manner provided by subsection (e).

(h) The township or county assessor shall include a notice of the deadlines for filing a deduction application under subsections (a) and (b) with each notice to a property owner of an addition to assessed value or of a new assessment.

(i) Before the county auditor acts under subsection (f), the county auditor may request that the township assessor of the township in which the property is located, or the county assessor if there is no township assessor for the township, review the deduction application.

(j) A property owner may appeal a determination of the county auditor under subsection (f) to deny or alter the amount of the deduction by requesting in writing a preliminary conference with the county auditor not more than forty-five (45) days after the county auditor gives the person notice of the determination. An appeal initiated under this subsection is processed and determined in the same manner that an appeal is processed and determined under IC 6-1.1-15.

SECTION 6. IC 6-1.1-12.1-5.3, AS AMENDED BY P.L.146-2008, SECTION 125, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016 (RETROACTIVE)]: Sec. 5.3. (a) A property owner that desires to obtain the deduction provided by section 4.8 of this chapter must file a deduction application, on forms prescribed by the department of local government finance, with the auditor of the county in which the eligible vacant building is located. Except as otherwise provided in this section, the deduction application must be filed before May 10 of the year in which the property owner or a tenant of the property owner initially occupies the eligible vacant building.

(b) If notice of the assessed valuation or new assessment for a year is not given to the property owner before April 10 of that year, the deduction application required by this section may be filed not later than thirty (30) days after the date the notice is mailed to the property



owner at the address shown on the records of the township or county assessor.

(c) The deduction application required by this section must contain the following information:

(1) The name of the property owner and, if applicable, the property owner's tenant.

(2) A description of the property for which a deduction is claimed.

(3) The amount of the deduction claimed for the first year of the deduction.

(4) Any other information required by the department of local government finance or the designating body.

(d) A deduction application filed under this section applies to the year in which the property owner or a tenant of the property owner occupies the eligible vacant building and in the following year if the deduction is allowed for a two (2) year period, without an additional deduction application being filed.

(e) A property owner that desires to obtain the deduction provided by section 4.8 of this chapter but that did not file a deduction application within the dates prescribed in subsection (a) or (b) may file a deduction application between ~~March~~ **January** 1 and May 10 of a subsequent year. A deduction application filed under this subsection applies to the year in which the deduction application is filed and the following year if the deduction is allowed for a two (2) year period, without an additional deduction application being filed. The amount of the deduction under this subsection is the amount that would have been applicable to the year under section 4.8 of this chapter if the deduction application had been filed in accordance with subsection (a) or (b).

(f) Subject to subsection (i), the county auditor shall do the following:

(1) If a determination concerning the number of years the deduction is allowed has been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall make the appropriate deduction.

(2) If a determination concerning the number of years the deduction is allowed has not been made in the resolution adopted under section 2.5 of this chapter, the county auditor shall send a copy of the deduction application to the designating body. Upon receipt of the resolution stating the number of years the deduction will be allowed, the county auditor shall make the appropriate deduction.

(g) The amount and period of the deduction provided by section 4.8 of this chapter are not affected by a change in the ownership of the



1 eligible vacant building or a change in the property owner's tenant, if
 2 the new property owner or the new tenant:

3 (1) continues to occupy the eligible vacant building in compliance
 4 with any standards established under section 2(g) of this chapter;
 5 and

6 (2) files an application in the manner provided by subsection (e).

7 (h) Before the county auditor acts under subsection (f), the county
 8 auditor may request that the township assessor of the township in
 9 which the eligible vacant building is located, or the county assessor if
 10 there is no township assessor for the township, review the deduction
 11 application.

12 (i) A property owner may appeal a determination of the county
 13 auditor under subsection (f) by requesting in writing a preliminary
 14 conference with the county auditor not more than forty-five (45) days
 15 after the county auditor gives the property owner notice of the
 16 determination. An appeal under this subsection shall be processed and
 17 determined in the same manner that an appeal is processed and
 18 determined under IC 6-1.1-15.

19 (j) In addition to the requirements of subsection (c), a property
 20 owner that files a deduction application under this section must provide
 21 the county auditor and the designating body with information showing
 22 the extent to which there has been compliance with the statement of
 23 benefits approved under section 4.8 of this chapter. This information
 24 must be included in the deduction application and must also be updated
 25 each year in which the deduction is applicable:

26 (1) at the same time that the property owner or the property
 27 owner's tenant files a personal property tax return for property
 28 located at the eligible vacant building for which the deduction
 29 was granted; or

30 (2) if subdivision (1) does not apply, before May 15 of each year.

31 (k) The following information is a public record if filed under this
 32 section:

33 (1) The name and address of the property owner.

34 (2) The location and description of the eligible vacant building for
 35 which the deduction was granted.

36 (3) Any information concerning the number of employees at the
 37 eligible vacant building for which the deduction was granted,
 38 including estimated totals that were provided as part of the
 39 statement of benefits.

40 (4) Any information concerning the total of the salaries paid to the
 41 employees described in subdivision (3), including estimated totals
 42 that are provided as part of the statement of benefits.



(5) Any information concerning the assessed value of the eligible vacant building, including estimates that are provided as part of the statement of benefits.

(l) Information concerning the specific salaries paid to individual employees by the property owner or tenant is confidential.

SECTION 7. IC 6-1.1-15-10.5, AS ADDED BY P.L.244-2015, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 10.5. (a) The fiscal officer of a taxing unit may establish a separate fund known as the property tax assessment appeals fund to hold property tax receipts that are attributable to an increase in the taxing unit's tax rate caused by a reduction in the taxing unit's net assessed value under IC 6-1.1-17-0.5.

(b) A taxing unit may transfer property tax receipts from a fund that is not a debt service fund to the taxing unit's property tax assessment appeals fund. A taxing unit may not transfer property tax receipts from a debt service fund to the taxing unit's property tax assessment appeals fund.

~~(b)~~ (c) A taxing unit may use money in a the taxing unit's property tax assessment appeals fund ~~may be used~~ only to pay the following:

(1) Expenses incurred by a county assessor in defending appeals prosecuted under this chapter with respect to property located in the taxing unit.

(2) Refunds under section 11 of this chapter.

~~(c)~~ (d) The balance in a taxing unit's property tax assessment appeals fund may not exceed five percent (5%) of the amount budgeted by the taxing unit for a particular year.

~~(d)~~ (e) Money ~~deposited in~~ transferred to a taxing unit's property tax assessment appeals fund is not considered miscellaneous revenue. Both the taxing unit and the department of local government finance shall disregard any balance in the taxing unit's property tax assessment appeals fund in the determination of the taxing unit's property tax levy, property tax rate, and budget (except for appropriations for the purposes permitted by subsection ~~(b)~~ (c) for a particular calendar year.

(f) Property tax receipts that qualify as levy excess under IC 6-1.1-18.5-17 and IC 20-44-3 must be treated as levy excess and are not eligible for transfer to a taxing unit's property tax assessment appeals fund.

SECTION 8. IC 6-1.1-18.5-7, AS AMENDED BY P.L.182-2009(ss), SECTION 126, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 7. (a) A civil taxing unit is not subject to the levy limits imposed by section 3 of this chapter



for an ensuing calendar year if the civil taxing unit did not adopt an ad valorem property tax levy for the immediately preceding calendar year.

(b) If under subsection (a) a civil taxing unit is not subject to the levy limits imposed under section 3 of this chapter for a calendar year, the civil taxing unit shall refer its proposed budget, ad valorem property tax levy, and property tax rate for that calendar year to the department of local government finance. The department of local government finance shall make a final determination of the civil taxing unit's budget, ad valorem property tax levy, and property tax rate for that calendar year. However, a civil taxing unit may not impose a property tax levy for a year if the unit did not exist as of ~~March~~ **January** 1 of the preceding year.

SECTION 9. IC 6-1.1-18.5-8.1 IS REPEALED [EFFECTIVE JULY 1, 2016]. Sec. 8-1: (a) This section applies to a township that is allowed an increase in its maximum permissible ad valorem property tax levy under section 13(c) of this chapter for property taxes first due and payable in 2014:

(b) The property tax levy limit imposed under section 3 of this chapter on the township may be exceeded in calendar years 2014; 2015; and 2016 by:

- (1) the amount of ad valorem property taxes imposed by the township to repay money borrowed under IC 36-6-6-14(f); or
- (2) the amount of ad valorem property taxes imposed by the township to repay money borrowed under IC 36-6-6-14(b) in 2012 or 2013;

but not both:

(c) For purposes of computing the ad valorem property tax levy limit imposed on a township under section 3 of this chapter, the township's ad valorem property tax levy for a particular calendar year does not include that part of the levy imposed to repay money borrowed under IC 36-6-6-14(f):

SECTION 10. IC 6-1.1-18.5-13, AS AMENDED BY P.L.245-2015, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 13. (a) With respect to an appeal filed under section 12 of this chapter, the department may find that a civil taxing unit should receive any one (1) or more of the following types of relief:

- (1) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if in the judgment of the department the increase is reasonably necessary due to increased costs of the civil taxing unit resulting from annexation, consolidation, or other extensions of governmental services by the civil taxing unit to additional



geographic areas. ~~or persons.~~ With respect to annexation, consolidation, or other extensions of governmental services in a calendar year, if those increased costs are incurred by the civil taxing unit in that calendar year and more than one (1) immediately succeeding calendar year, the unit may appeal under section 12 of this chapter for permission to increase its levy under this subdivision based on those increased costs in any of the following:

(A) The first calendar year in which those costs are incurred.

(B) One (1) or more of the immediately succeeding four (4) calendar years.

~~(2) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the civil taxing unit needs the increase to meet the civil taxing unit's share of the costs of operating a court established by statute enacted after December 31, 1973. Before recommending such an increase, the local government tax control board shall consider all other revenues available to the civil taxing unit that could be applied for that purpose. The maximum aggregate levy increases that the local government tax control board may recommend for a particular court equals the civil taxing unit's estimate of the unit's share of the costs of operating a court for the first full calendar year in which it is in existence. For purposes of this subdivision, costs of operating a court include:~~

~~(A) the cost of personal services (including fringe benefits);~~

~~(B) the cost of supplies; and~~

~~(C) any other cost directly related to the operation of the court.~~

~~(3) (2) Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the department finds that the quotient determined under STEP SIX of the following formula is equal to or greater than one and two-hundredths (1.02):~~

~~STEP ONE: Determine the three (3) calendar years that most immediately precede the ensuing calendar year and in which a statewide general reassessment of real property under IC 6-1.1-4-4 does not first become effective.~~

~~STEP TWO: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the civil taxing~~



unit's total assessed value of all taxable property and:

(i) for a particular calendar year before 2007, the total assessed value of property tax deductions in the unit under IC 6-1.1-12-41 (repealed) or IC 6-1.1-12-42 in the particular calendar year; or

(ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-42 in 2006 plus for a particular calendar year after 2009, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-37.5 in 2008;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

STEP THREE: Divide the sum of the three (3) quotients computed in STEP TWO by three (3).

STEP FOUR: Compute separately, for each of the calendar years determined in STEP ONE, the quotient (rounded to the nearest ten-thousandth (0.0001)) of the sum of the total assessed value of all taxable property in all counties and:

(i) for a particular calendar year before 2007, the total assessed value of property tax deductions in all counties under IC 6-1.1-12-41 (repealed) or IC 6-1.1-12-42 in the particular calendar year; or

(ii) for a particular calendar year after 2006, the total assessed value of property tax deductions that applied in all counties under IC 6-1.1-12-42 in 2006 plus for a particular calendar year after 2009, the total assessed value of property tax deductions that applied in the unit under IC 6-1.1-12-37.5 in 2008;

divided by the sum determined under this STEP for the calendar year immediately preceding the particular calendar year.

STEP FIVE: Divide the sum of the three (3) quotients computed in STEP FOUR by three (3).

STEP SIX: Divide the STEP THREE amount by the STEP FIVE amount.

The civil taxing unit may increase its levy by a percentage not greater than the percentage by which the STEP THREE amount exceeds the percentage by which the civil taxing unit may increase its levy under section 3 of this chapter based on the assessed value growth quotient determined under section 2 of this



chapter.

(4) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to the civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the civil taxing unit needs the increase to pay the costs of furnishing fire protection for the civil taxing unit through a volunteer fire department. For purposes of determining a township's need for an increased levy, the local government tax control board shall not consider the amount of money borrowed under IC 36-6-6-14 during the immediately preceding calendar year. However, any increase in the amount of the civil taxing unit's levy recommended by the local government tax control board under this subdivision for the ensuing calendar year may not exceed the lesser of:

(A) ten thousand dollars (\$10,000); or

(B) twenty percent (20%) of:

(i) the amount authorized for operating expenses of a volunteer fire department in the budget of the civil taxing unit for the immediately preceding calendar year; plus

(ii) the amount of any additional appropriations authorized during that calendar year for the civil taxing unit's use in paying operating expenses of a volunteer fire department under this chapter; minus

(iii) the amount of money borrowed under IC 36-6-6-14 during that calendar year for the civil taxing unit's use in paying operating expenses of a volunteer fire department.

(5) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter in order to raise revenues for pension payments and contributions the civil taxing unit is required to make under IC 36-8. The maximum increase in a civil taxing unit's levy that may be recommended under this subdivision for an ensuing calendar year equals the amount, if any, by which the pension payments and contributions the civil taxing unit is required to make under IC 36-8 during the ensuing calendar year exceeds the product of one and one-tenth (1.1) multiplied by the pension payments and contributions made by the civil taxing unit under IC 36-8 during the calendar year that immediately precedes the ensuing calendar year. For purposes of this subdivision, "pension payments and contributions made by a



civil taxing unit" does not include that part of the payments or contributions that are funded by distributions made to a civil taxing unit by the state.

(6) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008: Permission to increase its levy in excess of the limitations established under section 3 of this chapter if the local government tax control board finds that:

(A) the township's township assistance ad valorem property tax rate is less than one and sixty-seven hundredths cents (\$0.0167) per one hundred dollars (\$100) of assessed valuation; and

(B) the township needs the increase to meet the costs of providing township assistance under IC 12-20 and IC 12-30-4.

The maximum increase that the board may recommend for a township is the levy that would result from an increase in the township's township assistance ad valorem property tax rate of one and sixty-seven hundredths cents (\$0.0167) per one hundred dollars (\$100) of assessed valuation minus the township's ad valorem property tax rate per one hundred dollars (\$100) of assessed valuation before the increase.

(7) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008: Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter if:

(A) the increase has been approved by the legislative body of the municipality with the largest population where the civil taxing unit provides public transportation services; and

(B) the local government tax control board finds that the civil taxing unit needs the increase to provide adequate public transportation services.

The local government tax control board shall consider tax rates and levies in civil taxing units of comparable population; and the effect (if any) of a loss of federal or other funds to the civil taxing unit that might have been used for public transportation purposes. However, the increase that the board may recommend under this subdivision for a civil taxing unit may not exceed the revenue that would be raised by the civil taxing unit based on a property tax rate of one cent (\$0.01) per one hundred dollars (\$100) of assessed valuation.

(8) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008:



1 Permission to a civil taxing unit to increase the unit's levy in
 2 excess of the limitations established under section 3 of this
 3 chapter if the local government tax control board finds that:

4 (A) the civil taxing unit is:

5 (i) a county having a population of more than one hundred
 6 seventy thousand (170,000) but less than one hundred
 7 seventy-five thousand (175,000);

8 (ii) a city having a population of more than sixty-five
 9 thousand (65,000) but less than seventy thousand (70,000);

10 (iii) a city having a population of more than twenty-nine
 11 thousand five hundred (29,500) but less than twenty-nine
 12 thousand six hundred (29,600);

13 (iv) a city having a population of more than thirteen
 14 thousand four hundred fifty (13,450) but less than thirteen
 15 thousand five hundred (13,500); or

16 (v) a city having a population of more than eight thousand
 17 seven hundred (8,700) but less than nine thousand (9,000);
 18 and

19 (B) the increase is necessary to provide funding to undertake
 20 removal (as defined in IC 13-11-2-187) and remedial action
 21 (as defined in IC 13-11-2-185) relating to hazardous
 22 substances (as defined in IC 13-11-2-98) in solid waste
 23 disposal facilities or industrial sites in the civil taxing unit that
 24 have become a menace to the public health and welfare:

25 The maximum increase that the local government tax control
 26 board may recommend for such a civil taxing unit is the levy that
 27 would result from a property tax rate of six and sixty-seven
 28 hundredths cents (\$.0667) for each one hundred dollars (\$100)
 29 of assessed valuation. For purposes of computing the ad valorem
 30 property tax levy limit imposed on a civil taxing unit under
 31 section 3 of this chapter, the civil taxing unit's ad valorem
 32 property tax levy for a particular year does not include that part of
 33 the levy imposed under this subdivision. In addition, a property
 34 tax increase permitted under this subdivision may be imposed for
 35 only two (2) calendar years.

36 (9) A levy increase may not be granted under this subdivision for
 37 property taxes first due and payable after December 31, 2008.
 38 Permission for a county:

39 (A) having a population of more than eighty thousand (80,000)
 40 but less than ninety thousand (90,000) to increase the county's
 41 levy in excess of the limitations established under section 3 of
 42 this chapter, if the local government tax control board finds



that the county needs the increase to meet the county's share of the costs of operating a jail or juvenile detention center; including expansion of the facility; if the jail or juvenile detention center is opened after December 31, 1991;

(B) that operates a county jail or juvenile detention center that is subject to an order that:

(i) was issued by a federal district court; and

(ii) has not been terminated;

(C) that operates a county jail that fails to meet:

(i) American Correctional Association Jail Construction Standards; and

(ii) Indiana jail operation standards adopted by the department of correction; or

(D) that operates a juvenile detention center that fails to meet standards equivalent to the standards described in clause (C) for the operation of juvenile detention centers.

Before recommending an increase, the local government tax control board shall consider all other revenues available to the county that could be applied for that purpose. An appeal for operating funds for a jail or a juvenile detention center shall be considered individually; if a jail and juvenile detention center are both opened in one (1) county. The maximum aggregate levy increases that the local government tax control board may recommend for a county equals the county's share of the costs of operating the jail or a juvenile detention center for the first full calendar year in which the jail or juvenile detention center is in operation.

(10) A levy increase may not be granted under this subdivision for property taxes first due and payable after December 31, 2008. Permission for a township to increase its levy in excess of the limitations established under section 3 of this chapter, if the local government tax control board finds that the township needs the increase so that the property tax rate to pay the costs of furnishing fire protection for a township, or a portion of a township, enables the township to pay a fair and reasonable amount under a contract with the municipality that is furnishing the fire protection. However, for the first time an appeal is granted the resulting rate increase may not exceed fifty percent (50%) of the difference between the rate imposed for fire protection within the municipality that is providing the fire protection to the township and the township's rate. A township is required to appeal a second time for an increase under this subdivision if the township wants



to further increase its rate. However, a township's rate may be increased to equal but may not exceed the rate that is used by the municipality. More than one (1) township served by the same municipality may use this appeal:

(11) Permission to a city having a population of more than thirty-one thousand five hundred (31,500) but less than thirty-one thousand seven hundred twenty-five (31,725) to increase its levy in excess of the limitations established under section 3 of this chapter if:

(A) an appeal was granted to the city under this section to reallocate property tax replacement credits under IC 6-3.5-1.1 in 1998, 1999, and 2000; and

(B) the increase has been approved by the legislative body of the city; and the legislative body of the city has by resolution determined that the increase is necessary to pay normal operating expenses.

The maximum amount of the increase is equal to the amount of property tax replacement credits under IC 6-3.5-1.1 that the city petitioned under this section to have reallocated in 2001 for a purpose other than property tax relief.

(12) (3) A levy increase may be granted under this subdivision only for property taxes first due and payable after December 31, 2008. Permission to a civil taxing unit to increase its levy in excess of the limitations established under section 3 of this chapter if the civil taxing unit cannot carry out its governmental functions for an ensuing calendar year under the levy limitations imposed by section 3 of this chapter due to a natural disaster, an accident, or another unanticipated emergency.

(13) Permission to Jefferson County to increase its levy in excess of the limitations established under section 3 of this chapter if the department finds that the county experienced a property tax revenue shortfall that resulted from an erroneous estimate of the effect of the supplemental deduction under IC 6-1.1-12-37.5 on the county's assessed valuation. An appeal for a levy increase under this subdivision may not be denied because of the amount of cash balances in county funds. The maximum increase in the county's levy that may be approved under this subdivision is three hundred thousand dollars (\$300,000).

(b) The department of local government finance shall increase the maximum permissible ad valorem property tax levy under section 3 of this chapter for the city of Goshen for 2012 and thereafter by an amount equal to the greater of zero (0) or the result of:



(1) the city's total pension costs in 2009 for the 1925 police pension fund (IC 36-8-6) and the 1937 firefighters' pension fund (IC 36-8-7); minus

(2) the sum of:

(A) the total amount of state funds received in 2009 by the city and used to pay benefits to members of the 1925 police pension fund (IC 36-8-6) or the 1937 firefighters' pension fund (IC 36-8-7); plus

(B) any previous permanent increases to the city's levy that were authorized to account for the transfer to the state of the responsibility to pay benefits to members of the 1925 police pension fund (IC 36-8-6) and the 1937 firefighters' pension fund (IC 36-8-7).

(c) In calendar year 2013, the department of local government finance shall allow a township to increase its maximum permissible ad valorem property tax levy in excess of the limitations established under section 3 of this chapter, if the township:

(1) petitions the department for the levy increase on a form prescribed by the department; and

(2) submits proof of the amount borrowed in 2012 or 2013, but not both, under IC 36-6-6-14 to furnish fire protection for the township or a part of the township.

The maximum increase in a township's levy that may be allowed under this subsection is the amount borrowed by the township under IC 36-6-6-14 in the year for which proof was submitted under subdivision (2). An increase allowed under this subsection applies to property taxes first due and payable after December 31, 2013.

SECTION 11. IC 6-1.1-18.5-13.5 IS REPEALED [EFFECTIVE JULY 1, 2016]. Sec. 13.5. A levy increase may not be granted under this section for property taxes first due and payable after December 31, 2009. With respect to an appeal filed under section 12 of this chapter, the department of local government finance may give permission to a town having a population of more than three hundred (300) but less than four hundred (400) located in a county having a population of more than sixty-eight thousand nine hundred (68,900) but less than seventy thousand (70,000) to increase its levy in excess of the limitations established under section 3 of this chapter, if the department finds that the town needs the increase to pay the costs of furnishing fire protection for the town. However, any increase in the amount of the town's levy under this section for the ensuing calendar year may not exceed the greater of:

(1) twenty-five thousand dollars (\$25,000); or



(2) twenty percent (20%) of the sum of:

(A) the amount authorized for the cost of furnishing fire protection in the town's budget for the immediately preceding calendar year; plus

(B) the amount of any additional appropriations authorized under IC 6-1.1-18-5 during that calendar year for the town's use in paying the costs of furnishing fire protection.

SECTION 12. IC 6-1.1-18.5-13.6 IS REPEALED [EFFECTIVE JULY 1, 2016]. Sec. ~~13-6~~: A levy increase may not be granted under this section for property taxes first due and payable after December 31, 2008. For an appeal filed under section 12 of this chapter, the department of local government finance may give permission to a county to increase its levy in excess of the limitations established under section 3 of this chapter if the department finds that the county needs the increase to pay for:

(1) a new voting system; or

(2) the expansion or upgrade of an existing voting system; under IC ~~3-11-6~~.

SECTION 13. IC 6-1.1-31-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) The department of local government finance may:

(1) promulgate rules **in the manner prescribed in IC 4-22-2; and**

(2) **prescribe forms, including** property tax forms, property tax returns, and notice forms. ~~in the manner prescribed in IC 4-22-2.~~ However, the department of local government finance may, at any time, make a nonsubstantive change in a promulgated property tax form or return if the change is advisable because of the special nature of equipment which is available in a particular county:

(b) The department of local government finance may, through the Indiana archives and records administration, amend at any time the forms that the department of local government finance prescribes under this section.

(c) The department of local government finance may enforce the use of forms that the department of local government finance prescribes under this section.

(d) Forms that were prescribed by the department of local government finance and approved by the Indiana archives and records administration before July 1, 2016, are legalized and validated.

SECTION 14. IC 6-1.1-33.5-3, AS AMENDED BY P.L.257-2013, SECTION 30, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2016]: Sec. 3. The division of data analysis shall:

- (1) conduct continuing studies in the areas in which the department of local government finance operates;
- (2) make periodic field surveys and audits of:
 - (A) tax rolls;
 - (B) plat books;
 - (C) building permits;
 - (D) real estate transfers; and
 - (E) other data that may be useful in checking property valuations or taxpayer returns;
- (3) ~~make~~ **assist with the department of local government finance's** test checks of property valuations to serve as the basis for special reassessments under this article;
- (4) ~~conduct annually a~~ **assist with the department of local government finance's** review of each coefficient of dispersion study for each township and county;
- (5) ~~conduct annually a~~ **assist with the department of local government finance's** review of each sales assessment ratio study for each township and county; and
- (6) report annually to the executive director of the legislative services agency, in an electronic format under IC 5-14-6, the information obtained or determined under this section for use by the executive director and the general assembly, including:
 - (A) all information obtained by the division of data analysis from units of local government; and
 - (B) all information included in:
 - (i) the local government data base; and
 - (ii) any other data compiled by the division of data analysis.

SECTION 15. IC 6-1.1-36-7, AS AMENDED BY P.L.172-2011, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 7. (a) The department of local government finance may cancel any property taxes, **delinquencies, fees, special assessments, and penalties** assessed against real property owned by a county, a township, a city, a town, or a body corporate and politic established under IC 8-10-5-2(a), **regardless of whether the county, township, city, town, or body corporate and politic established under IC 8-10-5-2(a) owned the property on the assessment date for which the property taxes, delinquencies, fees, special assessments, or penalties are imposed and regardless of when the county, township, city, town, or body corporate and politic established under IC 8-10-5-2(a) acquired the property**, if a petition requesting that the department cancel the taxes is submitted by the



auditor, assessor, and treasurer of the county in which the real property is located.

(b) The department of local government finance may cancel any property taxes, **delinquencies, fees, special assessments, and penalties** assessed against real property owned by this state, **regardless of whether the state owned the property on the assessment date for which the property taxes, delinquencies, fees, special assessments, or penalties are imposed and regardless of when the state acquired the property**, if a petition requesting that the department cancel the taxes is submitted by:

(1) the governor; or

(2) the chief administrative officer of the state agency which supervises the real property.

However, if the petition is submitted by the chief administrative officer of a state agency, the governor must approve the petition.

(c) The department of local government finance may compromise the amount of property taxes, together with any interest or penalties on those taxes, assessed against the fixed or distributable property owned by a bankrupt railroad, which is under the jurisdiction of:

(1) a federal court under 11 U.S.C. 1163;

(2) Chapter X of the Acts of Congress Relating to Bankruptcy (11 U.S.C. 701-799); or

(3) a comparable bankruptcy law.

(d) After making a compromise under subsection (c) and after receiving payment of the compromised amount, the department of local government finance shall distribute to each county treasurer an amount equal to the product of:

(1) the compromised amount; multiplied by

(2) a fraction, the numerator of which is the total of the particular county's property tax levies against the railroad for the compromised years, and the denominator of which is the total of all property tax levies against the railroad for the compromised years.

(e) After making the distribution under subsection (d), the department of local government finance shall direct the auditors of each county to remove from the tax rolls the amount of all property taxes assessed against the bankrupt railroad for the compromised years.

(f) The county auditor of each county receiving money under subsection (d) shall allocate that money among the county's taxing districts. The auditor shall allocate to each taxing district an amount equal to the product of:

(1) the amount of money received by the county under subsection



(d); multiplied by

(2) a fraction, the numerator of which is the total of the taxing district's property tax levies against the railroad for the compromised years, and the denominator of which is the total of all property tax levies against the railroad in that county for the compromised years.

(g) The money allocated to each taxing district shall be apportioned and distributed among the taxing units of that taxing district in the same manner and at the same time that property taxes are apportioned and distributed.

(h) The department of local government finance may, with the approval of the attorney general, compromise the amount of property taxes, together with any interest or penalties on those taxes, assessed against property owned by a person that has a case pending under state or federal bankruptcy law. Property taxes that are compromised under this section shall be distributed and allocated at the same time and in the same manner as regularly collected property taxes. The department of local government finance may compromise property taxes under this subsection only if:

(1) a petition is filed with the department of local government finance that requests the compromise and is signed and approved by the assessor, auditor, and treasurer of each county and the assessor of each township (if any) that is entitled to receive any part of the compromised taxes;

(2) the compromise significantly advances the time of payment of the taxes; and

(3) the compromise is in the best interest of the state and the taxing units that are entitled to receive any part of the compromised taxes.

(i) A taxing unit that receives funds under this section is not required to include the funds in its budget estimate for any budget year which begins after the budget year in which it receives the funds.

(j) A county treasurer, with the consent of the county auditor and the county assessor, may compromise the amount of property taxes, interest, or penalties owed in a county by an entity that has a case pending under Title 11 of the United States Code (Bankruptcy Code) by accepting a single payment that must be at least seventy-five percent (75%) of the total amount owed in the county.

SECTION 16. IC 6-1.1-36-17, AS AMENDED BY P.L.5-2015, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 17. (a) As used in this section, "nonreverting fund" refers to a nonreverting fund established under subsection (e):



(d).

(b) ~~Each~~ **If a county auditor that** makes a determination that property was not eligible for a standard deduction under IC 6-1.1-12-37 in a particular year, **the county auditor may issue a notice of taxes, interest, and penalties due to the owner that improperly received the standard deduction and include a statement that the payment is to be made payable to the county auditor. The additional taxes and civil penalties that result from the removal of the deduction, if any, may be imposed only for property taxes first due and payable for the following:**

(1) For the most recent assessment date, if the taxpayer complied with the requirement to return the homestead verification form under IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015). In the case of a taxpayer described in this subdivision, the notice must require full payment of the amount owed within one (1) year.

(2) For not more than the three (3) the most recently preceding assessment dates, if the taxpayer did not comply with the requirement to return the homestead verification form under IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015). In the case of a taxpayer described in this subdivision, the notice must require full payment of the amount owed within the following:

(A) Within one (1) year, if the taxpayer was ineligible for the deduction for only one (1) of the three (3) most recently preceding assessment dates.

(B) Within two (2) years, if the taxpayer was ineligible for the deduction for two (2) of the three (3) most recently preceding assessment dates.

(C) Within three (3) years, if the taxpayer was ineligible for the deduction for all three (3) of the most recently preceding assessment dates.

However, with respect to property subject to a determination made under this subsection that is owned by a bona fide purchaser without knowledge of the determination, no lien attaches for any additional taxes and civil penalties that result from the removal of the deduction.

(c) **If a county auditor issues a notice of taxes, interest, and penalties due to an owner under subsection (b), the county auditor shall:**

- (1) notify the county treasurer of the determination; and
- (2) do one (1) or more of the following:



(A) Make a notation on the tax duplicate that the property is ineligible for the standard deduction and indicate the date the notation is made.

(B) Record a notice of an ineligible homestead lien under subsection ~~(d)(2)~~: **(e)(2)**.

The county auditor shall issue a notice of taxes, interest, and penalties due to the owner that improperly received the standard deduction and include a statement that the payment is to be made payable to the county auditor. The notice must require full payment of the amount owed within thirty (30) days. The additional taxes and civil penalties that result from the removal of the deduction, if any, are imposed for property taxes first due and payable for an assessment date occurring before the earlier of the date of the notation made under subdivision ~~(2)(A)~~ or the date a notice of an ineligible homestead lien is recorded under subsection ~~(d)(2)~~ in the office of the county recorder. With respect to property subject to a determination made under this subsection that is owned by a bona fide purchaser without knowledge of the determination, no lien attaches for any additional taxes and civil penalties that result from the removal of the deduction.

~~(e)~~ **(d)** Each county auditor shall establish a nonreverting fund. Upon collection of the adjustment in tax due (and any interest and penalties on that amount) after the termination of a deduction or credit as specified in subsection (b), the county treasurer shall deposit that amount:

(1) in the nonreverting fund, if the county contains a consolidated city; or

(2) if the county does not contain a consolidated city:

(A) in the nonreverting fund, to the extent that the amount collected, after deducting the direct cost of any contract, including contract related expenses, under which the contractor is required to identify homestead deduction eligibility, does not cause the total amount deposited in the nonreverting fund under this subsection for the year during which the amount is collected to exceed one hundred thousand dollars (\$100,000); or

(B) in the county general fund, to the extent that the amount collected exceeds the amount that may be deposited in the nonreverting fund under clause (A).

~~(d)~~ **(e)** Any part of the amount due under subsection (b) that is not collected by the due date is subject to collection under one (1) or more of the following:

(1) After being placed on the tax duplicate for the affected



property and collected in the same manner as other property taxes.

(2) Through a notice of an ineligible homestead lien recorded in the county recorder's office without charge.

The adjustment in tax due (and any interest and penalties on that amount) after the termination of a deduction or credit as specified in subsection (b) shall be deposited as specified in subsection ~~(c)~~ (d) only in the first year in which that amount is collected. Upon the collection of the amount due under subsection (b) or the release of a lien recorded under subdivision (2), the county auditor shall submit the appropriate documentation to the county recorder, who shall amend the information recorded under subdivision (2) without charge to indicate that the lien has been released or the amount has been paid in full.

~~(c)~~ (f) The amount to be deposited in the nonreverting fund or the county general fund under subsection ~~(c)~~ (d) includes adjustments in the tax due as a result of the termination of deductions or credits available only for property that satisfies the eligibility for a standard deduction under IC 6-1.1-12-37, including the following:

(1) Supplemental deductions under IC 6-1.1-12-37.5.

(2) Homestead credits under IC 6-1.1-20.4, IC 6-3.5-1.1-26, IC 6-3.5-6-13, IC 6-3.5-6-32, IC 6-3.5-7-13.1, or IC 6-3.5-7-26, or any other law.

(3) Credit for excessive property taxes under IC 6-1.1-20.6-7.5 or IC 6-1.1-20.6-8.5.

Any amount paid that exceeds the amount required to be deposited under subsection ~~(c)(1)~~ (d)(1) or ~~(c)(2)~~ (d)(2) shall be distributed as property taxes.

~~(f)~~ (g) Money deposited under subsection ~~(c)(1)~~ (d)(1) or ~~(c)(2)~~ (d)(2) shall be treated as miscellaneous revenue. Distributions shall be made from the nonreverting fund established under this section upon appropriation by the county fiscal body and shall be made only for the following purposes:

(1) Fees and other costs incurred by the county auditor to discover property that is eligible for a standard deduction under IC 6-1.1-12-37.

(2) Other expenses of the office of the county auditor.

The amount of deposits in a reverting fund, the balance of a nonreverting fund, and expenditures from a reverting fund may not be considered in establishing the budget of the office of the county auditor or in setting property tax levies that will be used in any part to fund the office of the county auditor.

SECTION 17. IC 6-1.1-36-18 IS REPEALED [EFFECTIVE JULY 1, 2016]. ~~Sec. 18: (a) As used in this section, "local agency" has the~~



1 meaning set forth in IC 4-6-3-1.

2 (b) As used in this section, "tax liability" includes liability for
3 special assessments and refers to liability for property taxes after the
4 application of all allowed deductions and credits. The term does not
5 include any property taxes that a person is not required to pay under
6 IC 6-1.1-15-10 with respect to a pending review of an assessment or an
7 increase in assessment under IC 6-1.1-15.

8 (c) The fiscal body of a county may adopt an ordinance to allow the
9 county, political subdivisions within the county, and local agencies
10 within the county to use a uniform property tax disclosure form for
11 purposes described in subsection (d):

12 (d) If the fiscal body of a county adopts an ordinance under this
13 section, a county, a political subdivision within the county, or a local
14 agency within the county may require a person applying for a property
15 tax exemption, a property tax deduction, a zoning change or zoning
16 variance, a building permit, or any other locally issued license or
17 permit to submit a uniform property tax disclosure form prescribed
18 under this section with the person's application for the property tax
19 exemption, property tax deduction, zoning change or zoning variance,
20 building permit, or any other locally issued license or permit.

21 (e) If the fiscal body of a county adopts an ordinance under this
22 section, the fiscal body shall prescribe the uniform property tax
23 disclosure form used within the county. The state board of accounts
24 and the department of local government finance shall provide
25 assistance to a fiscal body in prescribing the form upon the request of
26 the fiscal body. The form must require the disclosure of the following
27 information from a person applying for a property tax exemption, a
28 property tax deduction, a zoning change or zoning variance, a building
29 permit, or any other locally issued license or permit:

30 (1) A description of each parcel of real property located in the
31 county that is owned by the person:

32 (2) A verified statement, made under penalties of perjury, listing
33 the following concerning each parcel of real property disclosed
34 under subdivision (1):

35 (A) The parcels for which the person is current on the tax
36 liability, if any:

37 (B) The parcels for which the person has a delinquent tax
38 liability, if any:

39 (3) Any other information necessary for the county, a political
40 subdivision within the county, or a local agency within the county
41 to determine whether the person has a delinquent tax liability on
42 real property located in the county:



SECTION 18. IC 6-1.1-40-11, AS AMENDED BY P.L.245-2015, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 2, 2016 (RETROACTIVE)]: Sec. 11. (a) A person that desires to obtain the deduction provided by section 10 of this chapter must file a certified deduction application, on forms prescribed by the department of local government finance, with:

- (1) the auditor of the county in which the new manufacturing equipment is located; and
- (2) the department of local government finance.

A person that timely files a personal property return under IC 6-1.1-3-7(a) for the year in which the new manufacturing equipment is installed must file the application between ~~March 10~~ **January 1** and May 15 of that year.

(b) The application required by this section must contain the following information:

- (1) The name of the owner of the new manufacturing equipment.
- (2) A description of the new manufacturing equipment.
- (3) Proof of the date the new manufacturing equipment was installed.
- (4) The amount of the deduction claimed for the first year of the deduction.

(c) A deduction application must be filed under this section in the year in which the new manufacturing equipment is installed and in each of the immediately succeeding nine (9) years.

(d) The department of local government finance shall review and verify the correctness of each application and shall notify the county auditor of the county in which the property is located that the application is approved or denied or that the amount of the deduction is altered. Upon notification of approval of the application or of alteration of the amount of the deduction, the county auditor shall make the deduction.

(e) If the ownership of new manufacturing equipment changes, the deduction provided under section 10 of this chapter continues to apply to that equipment if the new owner:

- (1) continues to use the equipment in compliance with any standards established under section 7(c) of this chapter; and
- (2) files the applications required by this section.

(f) The amount of the deduction is:

- (1) the percentage under section 10 of this chapter that would have applied if the ownership of the property had not changed; multiplied by
- (2) the assessed value of the equipment for the year the deduction



is claimed by the new owner.

SECTION 19. IC 6-1.1-41-6, AS AMENDED BY P.L.137-2012, SECTION 43, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 6. Not later than noon thirty (30) days after the publication of the notice of adoption required by section 3 of this chapter:

(1) at least ten (10) taxpayers in the taxing district, if the fund is authorized under IC 8-10-5-17, IC 8-16-3-1, IC 8-16-3.1-4, IC 14-27-6-48, IC 14-33-21-2, IC 36-8-14-2, **IC 36-8-19-8.5**, IC 36-9-4-48, or IC 36-10-4-36;

(2) at least twenty (20) taxpayers in a county served by a hospital, if the fund is authorized under IC 16-22-4-1;

(3) at least thirty (30) taxpayers in a tax district, if the fund is authorized under IC 36-10-3-21 or IC 36-10-7.5-19;

(4) at least fifty (50) taxpayers in a municipality, township, or county, if subdivision (1), (2), (3), or (5) does not apply; or

(5) at least one hundred (100) taxpayers in the county, if the fund is authorized by IC 3-11-6;

may file a petition with the county auditor stating their objections to an action described in section 2 of this chapter. Upon the filing of the petition, the county auditor shall immediately certify the petition to the department of local government finance.

SECTION 20. IC 6-1.1-42-28, AS AMENDED BY P.L.112-2012, SECTION 49, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 28. (a) Subject to this section and section 34 of this chapter, the amount of the deduction which the property owner is entitled to receive under this chapter for a particular year equals the product of:

(1) the increase in the assessed value resulting from the remediation and redevelopment in the zone or the location of personal property in the zone, or both; multiplied by

(2) the percentage determined under subsection (b).

(b) The percentage to be used in calculating the deduction under subsection (a) is as follows:

(1) For deductions allowed over a three (3) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%
2nd	66%
3rd	33%

(2) For deductions allowed over a six (6) year period:

YEAR OF DEDUCTION	PERCENTAGE
1st	100%



1	2nd	85%
2	3rd	66%
3	4th	50%
4	5th	34%
5	6th	17%
6	(3) For deductions allowed over a ten (10) year period:	
7	YEAR OF DEDUCTION	PERCENTAGE
8	1st	100%
9	2nd	95%
10	3rd	80%
11	4th	65%
12	5th	50%
13	6th	40%
14	7th	30%
15	8th	20%
16	9th	10%
17	10th	5%

(c) The amount of the deduction determined under subsection (a) shall be adjusted in accordance with this subsection in the following circumstances:

(1) If a:

(A) general reassessment of real property under IC 6-1.1-4-4;
or

(B) reassessment under a county's reassessment plan prepared under IC 6-1.1-4-4.2;

occurs within the particular period of the deduction, the amount determined under subsection (a)(1) shall be adjusted to reflect the percentage increase or decrease in assessed valuation that resulted from the reassessment.

(2) If an appeal of an assessment is approved that results in a reduction of the assessed value of the redeveloped or rehabilitated property, the amount of any deduction shall be adjusted to reflect the percentage decrease that resulted from the appeal.

(3) The amount of the deduction may not exceed the limitations imposed by the designating body under section 23 of this chapter.

(4) The amount of the deduction must be proportionally reduced by the proportionate ownership of the property by a person that:

(A) has an ownership interest in an entity that contributed; or

(B) has contributed;

a contaminant (as defined in IC 13-11-2-42) that is the subject of the voluntary remediation, as determined under the written standards adopted by the department of environmental



management.

The department of local government finance ~~shall~~ **may** adopt rules under IC 4-22-2 to implement this subsection.

SECTION 21. IC 6-1.1-44-6, AS AMENDED BY P.L.245-2015, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 2, 2016 (RETROACTIVE)]: Sec. 6. (a) To obtain a deduction under this chapter, a manufacturer must file an application on forms prescribed by the department of local government finance with the auditor of the county in which the investment property is located. A person that timely files a personal property return under IC 6-1.1-3-7(a) for the year in which the investment property is installed must file the application between ~~March 10~~ **January 1** and May 15 of that year. A person that obtains a filing extension under IC 6-1.1-3-7(b) for the year in which the investment property is installed must file the application between ~~March 10~~ **January 1** and the extended due date for that year.

(b) The deduction application required by this section must contain the following information:

- (1) The name of the owner of the investment property.
- (2) A description of the investment property.
- (3) Proof of purchase of the investment property and proof of the date the investment property was installed.
- (4) The amount of the deduction claimed.

SECTION 22. IC 8-25-6-2, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) If:

- (1) the fiscal body of the county in which ~~the~~ **a** township is located does not adopt an ordinance under IC 8-25-2-1; and
- (2) the township is adjacent to: ~~either:~~

(A) an eligible county in which:

- (i) a public transportation project has been approved under IC 8-25-2; or
- (ii) **an ordinance described in IC 8-25-2 has been adopted; or**

(B) ~~a~~ **another** township in which:

- (i) a public transportation project has been approved under this chapter; **or**
- (ii) **a resolution described in this section has already been passed;**

the fiscal body of the township may pass a resolution to place on the ballot a local public question on whether the fiscal body of the eligible county should be required to fund and carry out a public transportation



1 project in the township.

2 (b) The fiscal body of the township shall include in the resolution
3 passed under subsection (a):

4 (1) a description of the public transportation services that will be
5 provided in the township through the proposed public
6 transportation project; and

7 (2) an estimate of each tax necessary to annually fund the public
8 transportation project in the township.

9 SECTION 23. IC 8-25-6-8, AS ADDED BY P.L.153-2014,
10 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
11 JULY 1, 2016]: Sec. 8. If the local public question is defeated in a
12 township, the fiscal body of the township may ~~not~~ adopt a resolution
13 under section 2 of this chapter to place another local public question on
14 the ballot as provided in this chapter at a subsequent general election
15 in the township. **However, a local public question may not be placed**
16 **on the ballot in the township under this chapter more than two (2)**
17 **times in any seven (7) year period.**

18 SECTION 24. IC 8-25-6-10, AS ADDED BY P.L.153-2014,
19 SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
20 JULY 1, 2016]: Sec. 10. (a) If the voters of a township ~~located in an~~
21 ~~eligible county~~ **described in section 2(a)(2)(A)(i) or 2(a)(2)(B)(i) of**
22 **this chapter** approve a local public question under this chapter, the
23 fiscal body of the eligible county **in which the township is located**
24 shall adopt an ordinance under IC 6-3.5-1.1-24(s), IC 6-3.5-6-30(t), or
25 IC 6-3.5-7-26(m), whichever is applicable to the eligible county, to
26 impose an additional county adjusted gross income tax rate, county
27 option income tax rate, or county economic development income tax
28 rate upon the county taxpayers residing in the township for the public
29 transportation project in the township.

30 (b) **This subsection applies if the voters of a township described**
31 **in section 2(a)(2)(A)(ii) or 2(a)(2)(B)(ii) of this chapter approve a**
32 **local public question under this chapter and the voters in:**

33 (1) the eligible county described in section 2(a)(2)(A) of this
34 chapter approve a local public question under IC 8-25-2; or

35 (2) the township described in section 2(a)(2)(B) of this chapter
36 approve a local public question under this chapter.

37 The fiscal body of the eligible county in which the township is
38 located shall adopt an ordinance under IC 6-3.5-1.1-24(s) (before
39 its repeal on January 1, 2017), IC 6-3.5-6-30(t) (before its repeal on
40 January 1, 2017), IC 6-3.5-7-26(m) (before its repeal on January 1,
41 2017), or IC 6-3.6-4 (after December 31, 2016), whichever is
42 applicable to the eligible county, to impose an additional county



adjusted gross income tax rate, county option income tax rate, county economic development income tax rate, or local income tax rate upon the county taxpayers residing in the township for the public transportation project in the township.

SECTION 25. IC 36-6-6-14, AS AMENDED BY P.L.218-2013, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 14. (a) At any special meeting, if two (2) or more members give their consent, the legislative body may determine whether there is a need for fire and emergency services or other emergency requiring the expenditure of money not included in the township's budget estimates and levy.

(b) Subject to section 14.5 of this chapter, if the legislative body finds that a need for fire and emergency services or other emergency exists, it may issue a special order, entered and signed on the record, authorizing the executive to borrow a specified amount of money sufficient to meet the emergency. However, the legislative body may not authorize the executive to borrow money under this subsection in more than three (3) calendar years during any five (5) year period.

(c) Notwithstanding IC 36-8-13-4(a), the legislative body may authorize the executive to borrow a specified sum from a township fund other than the township firefighting fund if the legislative body finds that the emergency requiring the expenditure of money is related to paying the operating expenses of a township fire department or a volunteer fire department. At its next annual session, the legislative body shall cover the debt created by making a levy to the credit of the fund for which the amount was borrowed under this subsection.

(d) In determining whether a fire and emergency services need exists requiring the expenditure of money not included in the township's budget estimates and levy, the legislative body and any reviewing authority considering the approval of the additional borrowing shall consider the following factors:

- (1) The current and projected certified and noncertified public safety payroll needs of the township.
- (2) The current and projected need for fire and emergency services within the jurisdiction served by the township.
- (3) Any applicable national standards or recommendations for the provision of fire protection and emergency services.
- (4) Current and projected growth in the number of residents and other citizens served by the township, emergency service runs, certified and noncertified personnel, and other appropriate measures of public safety needs in the jurisdiction served by the township.



(5) Salary comparisons for certified and noncertified public safety personnel in the township and other surrounding or comparable jurisdictions.

(6) Prior annual expenditures for fire and emergency services, including all amounts budgeted under this chapter.

(7) Current and projected growth in the assessed value of property requiring protection in the jurisdiction served by the township.

(8) Other factors directly related to the provision of public safety within the jurisdiction served by the township.

(e) In the event the township received additional funds under this chapter in the immediately preceding budget year for an approved expenditure, any reviewing authority shall take into consideration the use of the funds in the immediately preceding budget year and the continued need for funding the services and operations to be funded with the proceeds of the loan.

~~(f) This subsection applies to a township that is allowed an increase in its maximum permissible ad valorem property tax levy under IC 6-1.1-18.5-13(e). The restrictions on borrowing set forth in this subsection are instead of the restrictions set forth in subsection (b): Repayments of the money borrowed in 2012 or 2013, as applicable, may be made over a three (3) year period beginning in 2014, and ending in 2016. Each year the township may borrow the amount necessary to repay one third (1/3) of the principal and interest of that debt. After 2016, the township may not borrow money under subsection (b) in more than three (3) calendar years during any five (5) year period.~~

SECTION 26. IC 36-8-19-8.5, AS AMENDED BY P.L.255-2013, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 8.5. (a) Participating units may agree to establish an equipment replacement fund under this section to be used to purchase fire protection equipment, including housing, that will be used to serve the entire territory. To establish the fund, the legislative bodies of each participating unit must adopt an ordinance (if the unit is a county or municipality) or a resolution (if the unit is a township), and the following requirements must be met:

(1) The ordinance or resolution is identical to the ordinances and resolutions adopted by the other participating units under this section.

(2) Before adopting the ordinance or resolution, each participating unit must comply with the notice and hearing requirements of IC 6-1.1-41-3.

(3) The ordinance or resolution authorizes the provider unit to



1 establish the fund.

2 (4) The ordinance or resolution includes at least the following:

3 (A) The name of each participating unit and the provider unit.

4 (B) An agreement to impose a uniform tax rate upon all of the
5 taxable property within the territory for the equipment
6 replacement fund.

7 (C) The contents of the agreement to establish the fund.

8 An ordinance or a resolution adopted under this section takes effect as
9 provided in IC 6-1.1-41.

10 (b) If a fund is established, the participating units may agree to:

11 (1) impose a property tax to provide for the accumulation of
12 money in the fund to purchase fire protection equipment;

13 (2) incur debt to purchase fire protection equipment and impose
14 a property tax to retire the loan; or

15 (3) transfer an amount from the fire protection territory fund to
16 the fire equipment replacement fund not to exceed five percent
17 (5%) of the levy for the fire protection territory fund for that year;

18 or any combination of these options.

19 (c) The property tax rate for the levy imposed under this section may
20 not exceed three and thirty-three hundredths cents (\$0.0333) per one
21 hundred dollars (\$100) of assessed value. Before debt may be incurred,
22 the fiscal body of a participating unit must adopt an ordinance (if the
23 unit is a county or municipality) or a resolution (if the unit is a
24 township) that specifies the amount and purpose of the debt. The
25 ordinance or resolution must be identical to the other ordinances and
26 resolutions adopted by the participating units. ~~In addition, the~~
27 ~~department of local government finance must approve the incurrence~~
28 ~~of the debt using the same standards as applied to the incurrence of~~
29 ~~debt by civil taxing units. Except as provided in subsection (d), if~~
30 ~~debt is to be incurred for the purposes of a fund, the provider unit~~
31 ~~shall negotiate for and hold the debt on behalf of the territory.~~
32 **However, the participating units and the provider unit of the**
33 **territory are jointly liable for any debt incurred by the provider**
34 **unit for the purposes of the fund. The most recent adjusted value**
35 **of taxable property for the entire territory must be used to**
36 **determine the debt limit under IC 36-1-15-6. A provider unit shall**
37 **comply with all general statutes and rules relating to the**
38 **incurrence of debt under this subsection.**

39 (d) A participating unit of a territory may, to the extent allowed
40 by law, incur debt in the participating unit's own name to acquire
41 fire protection equipment or other property that is to be owned by
42 the participating unit. A participating unit that acquires fire



1 protection equipment or other property under this subsection may
 2 afterward enter into an interlocal agreement under IC 36-1-7 with
 3 the provider unit to furnish the fire protection equipment or other
 4 property to the provider unit for the provider unit's use or benefit
 5 in accomplishing the purposes of the territory. A participating unit
 6 shall comply with all general statutes and rules relating to the
 7 incurrence of debt under this subsection.

8 ~~(c)~~ (e) Money in the fund may be used by the provider unit only for
 9 those purposes set forth in the agreement among the participating units
 10 that permits the establishment of the fund.

11 ~~(d)~~ (f) The requirements and procedures specified in IC 6-1.1-41
 12 concerning the establishment or reestablishment of a cumulative fund,
 13 the imposing of a property tax for a cumulative fund, and the increasing
 14 of a property tax rate for a cumulative fund apply to:

15 (1) the establishment or reestablishment of a fund under this
 16 section;

17 (2) the imposing of a property tax for a fund under this section;
 18 and

19 (3) the increasing of a property tax rate for a fund under this
 20 section.

21 ~~(e)~~ (g) Notwithstanding IC 6-1.1-18-12, if a fund established under
 22 this section is reestablished in the manner provided in IC 6-1.1-41, the
 23 property tax rate imposed for the fund in the first year after the fund is
 24 reestablished may not exceed three and thirty-three hundredths cents
 25 (\$0.0333) per one hundred dollars (\$100) of assessed value.

26 SECTION 27. IC 36-8-19-13, AS AMENDED BY P.L.47-2007,
 27 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2016]: Sec. 13. (a) If a unit elects to withdraw from a fire
 29 protection territory established under this chapter, the unit must after
 30 January 1 but before April 1, adopt an ordinance (if the unit is a county
 31 or municipality) or a resolution (if the unit is a township) providing for
 32 the withdrawal. An ordinance or resolution adopted under this section
 33 takes effect July 1 of the year that the ordinance or resolution is
 34 adopted.

35 (b) If an ordinance or a resolution is adopted under subsection (a)

36 ~~(1) the unit's maximum permissible ad valorem property tax levy~~
 37 ~~with respect to fire protection services shall be initially increased~~
 38 ~~by the amount of the particular unit's previous year levy under this~~
 39 ~~chapter; and~~

40 ~~(2) additional increases with respect to fire protection services~~
 41 ~~levy amounts are subject to the tax levy limitations under~~
 42 ~~IC 6-1.1-18.5; except for the part of the unit's levy that is~~



necessary to retire the unit's share of any debt incurred while the unit was a participating unit.

for purposes of determining a unit's maximum permissible ad valorem property tax levy for the year following the year in which the ordinance or resolution is adopted, the unit receives a percentage of the territory's maximum permissible ad valorem property tax levy equal to the percentage of the assessed valuation that the unit contributed to the territory in the year in which the ordinance or resolution is adopted. The department of local government finance shall adjust the territory's maximum permissible ad valorem property tax levy to account for the unit's withdrawal. After the effective date of an ordinance or resolution adopted under subsection (a), the unit may no longer impose a tax rate for an equipment replacement fund under section 8.5 of this chapter. The unit remains liable for the unit's share of any debt incurred under section 8.5 of this chapter.

(c) If a territory is dissolved, subsection (b) applies to the determination of the maximum permissible ad valorem property tax levy of each unit that formerly participated in the territory.

SECTION 28. IC 36-12-2-25, AS AMENDED BY P.L.13-2013, SECTION 155, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 25. (a) The residents or real property taxpayers of the library district taxed for the support of the library may use the facilities and services of the public library without charge for library or related purposes. However, the library board may:

- (1) fix and collect fees and rental charges; and
- (2) assess fines, penalties, and damages for the:

- (A) loss of;
- (B) injury to; or
- (C) failure to return;

any library property or material.

(b) A library board may issue local library cards to:

- (1) residents and real property taxpayers of the library district;
- (2) Indiana residents who are not residents of the library district;
- and
- (3) individuals who reside out of state and who are being served through an agreement under IC 36-12-13.

(c) Except as provided in subsection (e), a library board must set and charge a fee for:

- (1) a local library card issued under subsection (b)(2); and
- (2) a local library card issued under subsection (b)(3).

(d) The minimum fee that the board may set under subsection (c) is



the greater of the following:

(1) The library district's operating fund expenditure per capita in the most recent year for which that information is available in the Indiana state library's annual "Statistics of Indiana Libraries".

(2) Twenty-five dollars (\$25).

(e) A library board may issue a local library card without charge or for a reduced fee to an individual who is not a resident of the library district and who is:

(1) a student enrolled in or a teacher in a public school corporation or nonpublic school:

(A) that is located at least in part in the library district; and

(B) in which students in any grade from preschool through grade 12 are educated; ~~or~~

(2) a library employee of the district; ~~or~~

(3) a student enrolled in a college or university that is located at least in part of the library district;

if the board adopts a resolution that is approved by an affirmative vote of a majority of the members appointed to the library board.

(f) A library card issued under subsection (b)(2), (b)(3), or (e) ~~expires one (1) year after issuance of the card. may be valid for a maximum of one (1) year after issuance. A card issued under subsection (b)(2) or (b)(3) that is valid for less than one (1) year must be sold at a fee prorated to the equivalent of the annual fee prescribed under subsection (d).~~

SECTION 29. [EFFECTIVE JANUARY 1, 2013 (RETROACTIVE)] **(a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.**

(b) This SECTION applies to an assessment date occurring in 2013 through 2016.

(c) As used in this SECTION, "eligible property" means real property that:

(1) was purchased through a foreclosure sale in June 2014; and

(2) had been used as a church before the sale.

(d) As used in this SECTION, "qualified taxpayer" refers to a tax exempt foundation that has owned eligible property since October 2015, and the owner:

(1) has sought to reuse the eligible property for an exempt purpose as a community building since purchasing the real property but has not been able to use and occupy the property for that purpose because of repair and renovation needs and



rezoning issues;

(2) did not receive any of the notices required by IC 6-1.1-4 or IC 6-1.1-11-4 regarding the property's assessment or exemption due to errors in processing the deed to the eligible property; and

(3) filed a property tax exemption application in October 2015.

(e) A qualified taxpayer may before September 1, 2016, file property tax exemption applications and supporting documents claiming a property tax exemption under IC 6-1.1-10-16 and this SECTION for the eligible property for the 2013, 2014, 2015, and 2016 assessment dates.

(f) A property tax exemption application filed under subsection (e) by a qualified taxpayer is considered to have been timely filed.

(g) If a qualified taxpayer files the property tax exemption applications under subsection (e), the following apply:

(1) The property tax exemption for the eligible property shall be allowed and granted for the 2013, 2014, 2015, and 2016 assessment dates by the county assessor and county auditor of the county in which the eligible property is located, notwithstanding that the owner was unable to use and occupy the property for an exempt purpose as a community building due to repair and renovation needs and rezoning issues.

(2) The qualified taxpayer is not required to pay any property taxes, penalties, or interest with respect to the eligible property for the 2013, 2014, 2015, and 2016 assessment dates.

(h) The exemption allowed by this SECTION shall be applied without the need for any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of the county in which the eligible property is located or by the Indiana board of tax review.

(i) To the extent the qualified taxpayer has paid any property taxes, penalties, or interest with respect to the eligible property for the 2013, 2014, 2015, and 2016 assessment dates, the eligible taxpayer is entitled to a refund of the amounts paid. Notwithstanding the filing deadlines for a claim in IC 6-1.1-26, any claim for a refund filed by an eligible taxpayer under this subsection before September 1, 2016, is considered timely filed. The county auditor shall pay the refund due under this SECTION in one (1) installment.

(j) This SECTION expires July 1, 2018.

SECTION 30. An emergency is declared for this act.



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1273, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 3. IC 6-1.1-10-37.8 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016 (RETROACTIVE)]: **Sec. 37.8. For assessment dates after December 31, 2015, tangible personal property is exempt from property taxation if that tangible personal property:**

(1) is owned by a homeowners association (as defined in IC 32-25.5-2-4); and

(2) is held by the homeowners association for the use, benefit, or enjoyment of members of the homeowners association."

Page 9, line 9, after "government" insert ".".

Page 9, line 9, strike "and determined by the".

Page 9, strike line 10.

Page 11, line 37, strike "that may".

Page 11, line 38, strike "be".

Page 20, line 27, delete "[EFFECTIVE JANUARY 1, 2016 (RETROACTIVE)]:" and insert "[EFFECTIVE JULY 1, 2016]:".

Page 30, line 28, after "under" insert "**this**".

Page 41, between lines 1 and 2, begin a new paragraph and insert:

"SECTION 26. IC 8-25-6-2, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) If:

(1) the fiscal body of the county in which ~~the~~ **a** township is located does not adopt an ordinance under IC 8-25-2-1; and

(2) the township is adjacent to: ~~either:~~

(A) an eligible county in which:

(i) a public transportation project has been approved under IC 8-25-2; or

(ii) an ordinance described in IC 8-25-2 has been adopted; or

(B) ~~a~~ **another** township in which:

(i) a public transportation project has been approved under this chapter; **or**

(ii) a resolution described in this section has already been passed;



the fiscal body of the township may pass a resolution to place on the ballot a local public question on whether the fiscal body of the eligible county should be required to fund and carry out a public transportation project in the township.

(b) The fiscal body of the township shall include in the resolution passed under subsection (a):

- (1) a description of the public transportation services that will be provided in the township through the proposed public transportation project; and
- (2) an estimate of each tax necessary to annually fund the public transportation project in the township.

SECTION 27. IC 8-25-6-10, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 10. **(a)** If the voters of a township ~~located in an eligible county~~ **described in section 2(a)(2)(A)(i) or 2(a)(2)(B)(i) of this chapter** approve a local public question under this chapter, the fiscal body of the eligible county **in which the township is located** shall adopt an ordinance under IC 6-3.5-1.1-24(s), IC 6-3.5-6-30(t), or IC 6-3.5-7-26(m), whichever is applicable to the eligible county, to impose an additional county adjusted gross income tax rate, county option income tax rate, or county economic development income tax rate upon the county taxpayers residing in the township for the public transportation project in the township.

(b) This subsection applies if the voters of a township described in section 2(a)(2)(A)(ii) or 2(a)(2)(B)(ii) of this chapter approve a local public question under this chapter and the voters in:

- (1) the eligible county described in section 2(a)(2)(A) of this chapter approve a local public question under IC 8-25-2; or**
- (2) the township described in section 2(a)(2)(B) of this chapter approve a local public question under this chapter.**

The fiscal body of the eligible county in which the township is located shall adopt an ordinance under IC 6-3.5-1.1-24(s) (before its repeal on January 1, 2017), IC 6-3.5-6-30(t) (before its repeal on January 1, 2017), IC 6-3.5-7-26(m) (before its repeal on January 1, 2017), or IC 6-3.6-4 (after December 31, 2016), whichever is applicable to the eligible county, to impose an additional county adjusted gross income tax rate, county option income tax rate, county economic development income tax rate, or local income tax rate upon the county taxpayers residing in the township for the public transportation project in the township."

Page 46, strike line 17 and insert "may be valid for a maximum of one (1) year after issuance. A card issued under subsection (b)(2)



or (b)(3) that is valid for less than one (1) year must be sold at a fee prorated to the equivalent of the annual fee prescribed under subsection (d).".

Page 46, delete lines 18 through 27, begin a new paragraph and insert:

"SECTION 32. [EFFECTIVE JANUARY 1, 2008 (RETROACTIVE)]: (a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.

(b) This SECTION applies to an assessment date occurring in 2008 through 2011.

(c) As used in this SECTION, "eligible property" means real property for which a charitable exemption from property taxes was granted for the 2012 through 2015 assessment dates that consists of:

(1) a building owned, occupied, and used for the charitable fund raising activities described in subsection (d) during 2008 through 2015; and

(2) a parking lot that serves the building described in subdivision (1) during 2008 through 2015.

(d) As used in this SECTION, "qualified taxpayer" refers to an Indiana domestic nonprofit corporation that from 2008 through 2015:

(1) owned the eligible property;

(2) held a charity gaming license issued by the Indiana gaming commission under IC 4-32.2; and

(3) used the eligible property to conduct charitable fund raising activities to support its boarding high school.

(e) A qualified taxpayer may before September 1, 2016, file property tax exemption applications and supporting documents claiming a property tax exemption under IC 6-1.1-10-16 and this SECTION for the eligible property for the 2008 through 2011 assessment dates.

(f) A property tax exemption application filed under subsection (e) by a qualified taxpayer is considered to have been timely filed.

(g) If a qualified taxpayer files the property tax exemption applications under subsection (e) and the county assessor finds that the eligible property would have qualified for an exemption under IC 6-1.1-10-16 for an assessment date described in subsection (e) if the property tax exemption application had been filed under IC 6-1.1-11 in a timely manner for that assessment date, the following apply:



(1) The property tax exemption for the eligible property shall be allowed and granted for that assessment date by the county assessor and county auditor.

(2) The qualified taxpayer is not required to pay any property taxes, penalties, or interest with respect to the eligible property for that assessment date.

(h) The exemption allowed by this SECTION shall be applied without the need for any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of the county in which the eligible property is located or by the Indiana board of tax review.

(i) To the extent the qualified taxpayer has paid any property taxes, penalties, or interest with respect to the eligible property for an assessment date described in subsection (e), the eligible taxpayer is entitled to a refund of the amounts paid. Notwithstanding the filing deadlines for a claim in IC 6-1.1-26, any claim for a refund filed by an eligible taxpayer under this subsection before September 1, 2016, is considered timely filed. The county auditor shall pay the refund due under this SECTION in one (1) installment.

(j) This SECTION expires July 1, 2018.

SECTION 33. [EFFECTIVE JANUARY 1, 2013 (RETROACTIVE)]: (a) This SECTION applies notwithstanding IC 6-1.1-10, IC 6-1.1-11, or any other law or administrative rule or provision.

(b) This SECTION applies to an assessment date occurring in 2013 through 2016.

(c) As used in this SECTION, "eligible property" means real property that:

(1) was purchased through a foreclosure sale in June 2014; and

(2) had been used as a church before the sale.

(d) As used in this SECTION, "qualified taxpayer" refers to a tax exempt foundation that has owned eligible property since October 2015, and the owner:

(1) has sought to reuse the eligible property for an exempt purpose as a community building since purchasing the real property but has not been able to use and occupy the property for that purpose because of repair and renovation needs and rezoning issues;

(2) did not receive any of the notices required by IC 6-1.1-4 or IC 6-1.1-11-4 regarding the property's assessment or



exemption due to errors in processing the deed to the eligible property; and

(3) filed a property tax exemption application in October 2015.

(e) A qualified taxpayer may before September 1, 2016, file property tax exemption applications and supporting documents claiming a property tax exemption under IC 6-1.1-10-16 and this SECTION for the eligible property for the 2013, 2014, 2015, and 2016 assessment dates.

(f) A property tax exemption application filed under subsection (e) by a qualified taxpayer is considered to have been timely filed.

(g) If a qualified taxpayer files the property tax exemption applications under subsection (e) the following apply:

(1) The property tax exemption for the eligible property shall be allowed and granted for the 2013, 2014, 2015, and 2016 assessment dates by the county assessor and county auditor of the county in which the eligible property is located notwithstanding that the owner was unable to use and occupy the property for an exempt purpose as a community building due to repair and renovation needs and rezoning issues.

(2) The qualified taxpayer is not required to pay any property taxes, penalties, or interest with respect to the eligible property for the 2013, 2014, 2015, and 2016 assessment dates.

(h) The exemption allowed by this SECTION shall be applied without the need for any further ruling or action by the county assessor, the county auditor, or the county property tax assessment board of appeals of the county in which the eligible property is located or by the Indiana board of tax review.

(i) To the extent the qualified taxpayer has paid any property taxes, penalties, or interest with respect to the eligible property for the 2013, 2014, 2015, and 2016 assessment dates, the eligible taxpayer is entitled to a refund of the amounts paid. Notwithstanding the filing deadlines for a claim in IC 6-1.1-26, any claim for a refund filed by an eligible taxpayer under this



subsection before September 1, 2016, is considered timely filed. The county auditor shall pay the refund due under this SECTION in one (1) installment.

(j) This SECTION expires July 1, 2018."

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1273 as introduced.)

BROWN T

Committee Vote: yeas 21, nays 0.

COMMITTEE REPORT

Madam President: The Senate Committee on Tax and Fiscal Policy, to which was referred House Bill No. 1273, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 15.

Page 2, delete lines 1 through 4.

Page 4, delete lines 17 through 42.

Delete page 5.

Page 6, delete lines 1 through 35.

Page 30, delete lines 15 through 22.

Page 34, delete lines 1 through 42, begin a new paragraph and insert:

"SECTION 16. IC 6-1.1-36-17, AS AMENDED BY P.L.5-2015, SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 17. (a) As used in this section, "nonreverting fund" refers to a nonreverting fund established under subsection (c): (d).

(b) ~~Each~~ **If a county auditor that** makes a determination that property was not eligible for a standard deduction under IC 6-1.1-12-37 in a particular year, **the county auditor may issue a notice of taxes, interest, and penalties due to the owner that improperly received the standard deduction and include a statement that the payment is to be made payable to the county auditor. The additional taxes and civil penalties that result from the removal of the deduction, if any, may be imposed only for property taxes first due and payable for the following:**

(1) For the most recent assessment date, if the taxpayer

EH 1273—LS 6613/DI 113



complied with the requirement to return the homestead verification form under IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015). In the case of a taxpayer described in this subdivision, the notice must require full payment of the amount owed within one (1) year.

(2) For not more than the three (3) the most recently preceding assessment dates, if the taxpayer did not comply with the requirement to return the homestead verification form under IC 6-1.1-22-8.1(b)(9) (expired January 1, 2015). In the case of a taxpayer described in this subdivision, the notice must require full payment of the amount owed within the following:

(A) Within one (1) year, if the taxpayer was ineligible for the deduction for only one (1) of the three (3) most recently preceding assessment dates.

(B) Within two (2) years, if the taxpayer was ineligible for the deduction for two (2) of the three (3) most recently preceding assessment dates.

(C) Within three (3) years, if the taxpayer was ineligible for the deduction for all three (3) of the most recently preceding assessment dates.

However, with respect to property subject to a determination made under this subsection that is owned by a bona fide purchaser without knowledge of the determination, no lien attaches for any additional taxes and civil penalties that result from the removal of the deduction.

(c) If a county auditor issues a notice of taxes, interest, and penalties due to an owner under subsection (b), the county auditor shall:

(1) notify the county treasurer of the determination; and

(2) do one (1) or more of the following:

(A) Make a notation on the tax duplicate that the property is ineligible for the standard deduction and indicate the date the notation is made.

(B) Record a notice of an ineligible homestead lien under subsection ~~(d)(2)~~: (e)(2).

The county auditor shall issue a notice of taxes, interest, and penalties due to the owner that improperly received the standard deduction and include a statement that the payment is to be made payable to the county auditor. The notice must require full payment of the amount owed within thirty (30) days. The additional taxes and civil penalties that result from the removal of the deduction, if any, are imposed for



property taxes first due and payable for an assessment date occurring before the earlier of the date of the notation made under subdivision (2)(A) or the date a notice of an ineligible homestead lien is recorded under subsection (d)(2) in the office of the county recorder. With respect to property subject to a determination made under this subsection that is owned by a bona fide purchaser without knowledge of the determination, no lien attaches for any additional taxes and civil penalties that result from the removal of the deduction.

~~(c)~~ (d) Each county auditor shall establish a nonreverting fund. Upon collection of the adjustment in tax due (and any interest and penalties on that amount) after the termination of a deduction or credit as specified in subsection (b), the county treasurer shall deposit that amount:

(1) in the nonreverting fund, if the county contains a consolidated city; or

(2) if the county does not contain a consolidated city:

(A) in the nonreverting fund, to the extent that the amount collected, after deducting the direct cost of any contract, including contract related expenses, under which the contractor is required to identify homestead deduction eligibility, does not cause the total amount deposited in the nonreverting fund under this subsection for the year during which the amount is collected to exceed one hundred thousand dollars (\$100,000); or

(B) in the county general fund, to the extent that the amount collected exceeds the amount that may be deposited in the nonreverting fund under clause (A).

~~(d)~~ (e) Any part of the amount due under subsection (b) that is not collected by the due date is subject to collection under one (1) or more of the following:

(1) After being placed on the tax duplicate for the affected property and collected in the same manner as other property taxes.

(2) Through a notice of an ineligible homestead lien recorded in the county recorder's office without charge.

The adjustment in tax due (and any interest and penalties on that amount) after the termination of a deduction or credit as specified in subsection (b) shall be deposited as specified in subsection ~~(c)~~ (d) only in the first year in which that amount is collected. Upon the collection of the amount due under subsection (b) or the release of a lien recorded under subdivision (2), the county auditor shall submit the appropriate documentation to the county recorder, who shall amend the information recorded under subdivision (2) without charge to indicate that the lien



has been released or the amount has been paid in full.

~~(e)~~ **(f)** The amount to be deposited in the nonreverting fund or the county general fund under subsection ~~(e)~~ **(d)** includes adjustments in the tax due as a result of the termination of deductions or credits available only for property that satisfies the eligibility for a standard deduction under IC 6-1.1-12-37, including the following:

- (1) Supplemental deductions under IC 6-1.1-12-37.5.
- (2) Homestead credits under IC 6-1.1-20.4, IC 6-3.5-1.1-26, IC 6-3.5-6-13, IC 6-3.5-6-32, IC 6-3.5-7-13.1, or IC 6-3.5-7-26, or any other law.
- (3) Credit for excessive property taxes under IC 6-1.1-20.6-7.5 or IC 6-1.1-20.6-8.5.

Any amount paid that exceeds the amount required to be deposited under subsection ~~(e)(1)~~ **(d)(1)** or ~~(e)(2)~~ **(d)(2)** shall be distributed as property taxes.

~~(f)~~ **(g)** Money deposited under subsection ~~(e)(1)~~ **(d)(1)** or ~~(e)(2)~~ **(d)(2)** shall be treated as miscellaneous revenue. Distributions shall be made from the nonreverting fund established under this section upon appropriation by the county fiscal body and shall be made only for the following purposes:

- (1) Fees and other costs incurred by the county auditor to discover property that is eligible for a standard deduction under IC 6-1.1-12-37.
- (2) Other expenses of the office of the county auditor.

The amount of deposits in a reverting fund, the balance of a nonreverting fund, and expenditures from a reverting fund may not be considered in establishing the budget of the office of the county auditor or in setting property tax levies that will be used in any part to fund the office of the county auditor."

Delete page 35.

Page 36, delete lines 1 through 27.

Page 41, between lines 37 and 38, begin a new paragraph and insert:

"SECTION 23. IC 8-25-6-8, AS ADDED BY P.L.153-2014, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 8. If the local public question is defeated in a township, the fiscal body of the township may ~~not~~ adopt a resolution under section 2 of this chapter to place another local public question on the ballot as provided in this chapter at a subsequent general election in the township. **However, a local public question may not be placed on the ballot in the township under this chapter more than two (2) times in any seven (7) year period.**"

Page 48, delete lines 3 through 42.



Page 49, delete lines 1 through 18.

Page 49, line 20, after "(RETROACTIVE)]" delete ":",

Page 50, line 10, after "(e)" insert ",",

Page 50, line 14, after "located" insert ",",

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1273 as printed January 26, 2016.)

HERSHMAN, Chairperson

Committee Vote: Yeas 12, Nays 0.

